

## Message Text

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71

ORIGIN SS-25

INFO OCT-01 ISO-00 SSO-00 /026 R

DRAFTED BY ARA/ECP:JO'MAHONY  
APPROVED BY ARA - MR. JOSEPH GRUNWALD  
S/S - FVORTIZ  
ARA - HRYAN  
ARA/CEN - MWEISSMAN  
ARA/CEN - GGOWEN  
H - EBLACK

----- 122634

O 132314Z AUG 76  
FM SECSTATE WASHDC  
TO AMEMBASSY MANAGUA IMMEDIATE

C O N F I D E N T I A L STATE 202208

EXDIS FOR THE AMBASSADOR ONLY

E.O. 11652: GDS

TAGS: EFIN, NU

SUBJECT: US POSITIONS ON IDB LOAN TO FED

EYES ONLY FOR AMBASSADOR FROM GRUNWALD

1. SOMOZA HAS BEEN BADLY MISINFORMED. INTERNAL USG PROCEDURES HAVE NOT REACHED STAGE WHERE ANY OFFICIAL POSITION HAS BEEN TAKEN ON THIS PROPOSED LOAN. IT HAS NOT, IN FACT, BEEN TRANSMITTED TO US TO DATE AS A FIRM PROJECT PROPOSAL. DISCUSSION BETWEEN OFFICIALS OF US EXECUTIVE DIRECTOR'S OFFICE AND IDB MANAGEMENT HAVE RELATED TO APPROPRIATENESS OF FSO FUNDING AND HAVE BEEN LIMITED TO ECONOMIC CONSIDERATIONS. NO USG OFFICIAL HAS RAISED HARKIN AMENDMENT DIRECTLY OR INDIRECTLY IN CONNECTION WITH THIS PROPOSAL.

2. AS NOW IS THE CASE WITH EACH AND EVERY LOAN AND GRANT WHICH THE US EXECUTIVE DIRECTOR MUST VOTE ON IN IDB, USG  
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WILL HAVE TO CONSIDER APPLICABILITY OF HARKIN AMENDMENT.

OUR FINAL DECISION WILL HAVE TO TAKE INTO ACCOUNT THE SPECIFICS OF THE LOAN AND WILL HAVE TO CAREFULLY ASSESS THE HUMAN RIGHTS PRACTICES OF THE GOVERNMENT. THIS PROCESS HAS NOT BEEN UNDERTAKEN TO DATE WITH RESPECT TO NICARAGUA OR TO THIS \$15 MILLION AGRO-INDUSTRY LOAN PROPOSAL.

3. REASON APPROPRIATENESS OF FSO FUNDING HAS ARISEN IS THAT PROSPECTIVE BORROWERS INCLUDE LARGE INDUSTRIAL ENTERPRISES. ROBINSON

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN POLICY POSITION, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 AUG 1976  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** cahillha  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE202208  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JO'MAHONY  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** n/a  
**Film Number:** D760312-0701  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760854/aaaaburv.tel  
**Line Count:** 71  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN SS  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** ONLY  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** ONLY <MCM 20040601 CORRECTED>; ONLY, EXDIS  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** cahillha  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 JUL 2004 by izenbei0>; APPROVED <29 OCT 2004 by cahillha>  
**Review Markings:**

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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CHANGED> MCM 20040601  
**Subject:** US POSITIONS ON IDB LOAN TO FED EYES ONLY FOR AMBASSADOR FROM GRUNWALD  
**TAGS:** EFIN, NU, US, IDB  
**To:** MANAGUA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006